

**THE GUARDIAN INSURANCE & ANNUITY COMPANY, INC.**

Executive Office: 7 Hanover Square  
New York, New York 10004  
Customer Service Office: P.O. Box 26210  
Lehigh Valley, Pennsylvania 18002-6210

**ENDORSEMENT RIDER**

This rider is attached to and made part of the contract when issued for an Annuitant age 60 or older. The following provision is added to the contract in accordance with the requirements of the California Insurance Department:

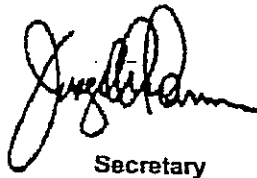
**IMPORTANT**

**YOU HAVE PURCHASED A VARIABLE ANNUITY CONTRACT. CAREFULLY REVIEW IT FOR LIMITATIONS.**

**THIS CONTRACT MAY BE RETURNED WITHIN 10 DAYS FROM THE DATE YOU RECEIVED IT FOR A REFUND OF THE CONTRACT'S ACCUMULATION VALUE ON THE DAY THE CONTRACT IS RECEIVED BY THE COMPANY AT ITS CUSTOMER SERVICE OFFICE OR BY THE AGENT WHO SOLD YOU THIS CONTRACT. A RETURN OF THE CONTRACT AFTER 10 DAYS MAY RESULT IN A SUBSTANTIAL PENALTY, KNOWN AS A SURRENDER CHARGE. SEE THE "SURRENDERS AND WITHDRAWALS" PROVISION ON PAGE 10 OF THE CONTRACT FOR DETAILS.**

Endorsed on the issue date.

The Guardian Insurance & Annuity Company, Inc.



Secretary



The Guardian  
Insurance & Annuity  
Company, Inc.

P.O. Box 25210  
Lehigh Valley, PA 18002-6210

3900 Burgess Place  
Bethlehem, PA 18017  
1-800-221-3253

**IMPORTANT NOTE:** This form, after it has been properly recorded at the Executive Office, should be securely attached to the policy/contract.

# NOTICE OF CHANGE OF NAME OR OWNER OR DESIGNATION OF BENEFICIARY

POLICY/CONTRACT NO. (S) 2501765, 27

ISSUED ON THE LIFE OF Gerda M. Camilli

## A. CHANGE OF NAME

The owner and/or Annuitant request(s) that based upon the attached copy of legal document, a change in name be made as follows:

☐ Annuitant's Name to:

☐ Owner's Name to:

## B. CHANGE OF OWNER

The owner requests that ownership of the above-numbered policy(ies)/contract(s) be changed as follows:

NAME	IRS NUMBER	RELATIONSHIP TO ANNUITANT/INSURED	DATE OF BIRTH (Must be at least age 15)
1) Primary Owner(s)			

**NOTE:** For annuity contracts, joint ownership is permitted only if proposed owners are married and if the ownership designation is Joint Tenants With Right of Survivorship.

If the proposed Primary Owner is a corporation, indicate date and place of incorporation and names and home addresses of two principal officers; if a partnership, names and home addresses of all partners.

## 2) Owner Upon Death of Primary Owner

## C. BILLING NOTICES

Send billing notices to proposed Primary Owner at:

(If contract is not to be billed, leave blank)

**NOTE:** If joint Primary Owners are designated, billing notices will be addressed to all of them and sent to the one named unless the Company is otherwise instructed.

## D. DESIGNATION OF BENEFICIARY

The beneficiary designation under the contract(s) shall be as follows, all prior designations of beneficiary and modes of settlement thereunder being revoked.

NAME	IRS NUMBER	RELATIONSHIP TO ANNUITANT/INSURED	DATE OF BIRTH
1) Primary Beneficiary			

2) Beneficiary(ies) to receive payment if no beneficiary is living at the Annuitant/Insured's death

☐ Pay the share of a deceased child or grandchild of the Annuitant/Insured equally to the then living children of each child. (This provision is applicable only if box is checked and takes precedence over any beneficiary designated in a higher numbered sequence.)

## E. SPECIAL INSTRUCTIONS

## F. THE EXECUTIVE OFFICE IS AUTHORIZED TO MAKE ANY CLARIFYING STATEMENTS.

The General Provisions printed or written by the company on the reverse side are part of this request.

Under penalties of perjury, I certify that (a) the Social Security number or Tax Identification Number (IRS number) shown on this form above is my correct number and (b) that I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

DATE Nov. 4, 2002  
(CORPORATE SEAL)

Gerda M. Camilli  
OWNERS SIGNATURE

JOINT OWNERS SIGNATURE

PROPOSED NEW OWNERS SIGNATURE (if applicable)

ANNUITANT'S SIGNATURE (name change only)

PROPOSED NEW JOINT OWNERS SIGNATURE (if applicable)

This is to certify that this notice of Change of Name/Owner and Designation of Beneficiary has been recorded at the Executive Office of the Company.  
The Guardian Insurance & Annuity Company, Inc.

Holly Neubauer  
CHANGE REGISTRAR

[Signature]  
SECRETARY

GIAC-42 (12/99)

(SEE REVERSE FOR NOTARIAL ACKNOWLEDGMENT)  
• FIRST COPY - EXECUTIVE OFFICE • SECOND COPY - CONTRACT OWNER • THIRD COPY - AGENCY

EXHIBIT 2

November 4, 2002

Addendum to Contract No. 2101765.27 (based on \$426,482.20)  
SPCA - San Mateo - \$26,482.20 approx. 6.2%

\$400,000.00 to be used according to percentages:

Carla M. Untermann, sister - Blumenau 22, D22089 Hamburg, Germany 25%

Philipp Untermann, nephew - Margret Str. 2a, CH-8304 Wallisellen, Switzerland 37.5%  
Should Carla M. Untermann be deceased then Philipp Untermann is the sole heir. of her 25% share

Chris and Brenda Camilli, Chris grandson of deceased Dolph Camilli - 25%  
312 Short St., Missoula MT 59804

Joana Briggs, daughter of deceased Dolph Camilli 5%  
580 Garden Circle, Winter Park, FL 32792

Lisa Camilli, daughter of Bruce and Karen Camilli, Bruce son of deceased D. Camilli 3.75%  
c/o Bruce Camilli, 1119 Winding Ridgeway, Santa Rosa 95404

Kathleen Butler, daughter of Dolph Camilli, Jr. 3.75%  
c/o Dolph Camilli, Jr., 6224 Pecan Drive, Orangevale, CA 95662

Total: 100%

*Grada M. Camilli*

EXHIBIT 2

Annuitant GERDA M CAMILLI  
Contract Number 210197866

73 - Female  
SEPTEMBER 20, 1999

Age and Sex  
Issue Date



The Guardian  
Insurance & Annuity  
Company, Inc.

A Stock Company  
Incorporated in the  
State of Delaware

Customer Service Office:  
P.O. Box 26210  
Lehigh Valley, PA 18002-6210

Read this contract carefully. This contract is a legal contract between the owner and The Guardian Insurance & Annuity Company, Inc. (GIAC).

GIAC will pay the benefits provided by this contract in accordance with its provisions. The entire contract consists of the Basic Contract and any attached endorsements, additional benefit riders and application(s). This contract is issued by GIAC at its Customer Service Office on the Issue Date.

Secretary

President

Checked By

Under this contract, flexible premium payments may be made before the Annuity Commencement Date. On the Annuity Commencement Date, GIAC will begin to make monthly annuity payments. Benefits depend, among other things, on the number and value of Accumulation Units and the annuity payout option elected. Death benefit proceeds are payable on or before the Annuity Commencement Date.

ALL VALUES PROVIDED BY THIS CONTRACT WHICH ARE BASED ON THE INVESTMENT EXPERIENCE OF A SEPARATE ACCOUNT ARE VARIABLE, MAY INCREASE OR DECREASE DAILY, AND ARE NOT GUARANTEED. SEE "ACCUMULATION VALUE" ON PAGE 10 AND "PAYMENT OF CONTRACT PROCEEDS" ON PAGE 12 FOR A DESCRIPTION OF THE VARIABLE VALUES AND PAYMENTS PROVIDED UNDER THIS CONTRACT.

#### IMPORTANT

**YOU HAVE PURCHASED A VARIABLE ANNUITY CONTRACT. CAREFULLY REVIEW IT FOR LIMITATIONS.**

**IF YOU ARE 60 YEARS OF AGE OR OLDER WHEN THIS CONTRACT IS PURCHASED, THIS CONTRACT MAY BE RETURNED WITHIN 10 DAYS FROM THE DATE YOU RECEIVED IT FOR A REFUND OF THE CONTRACT'S ACCUMULATION VALUE ON THE DAY THE CONTRACT IS RECEIVED BY THE COMPANY AT ITS CUSTOMER SERVICE OFFICE OR BY THE AGENT WHO SOLD YOU THIS CONTRACT. A RETURN OF THE CONTRACT AFTER 10 DAYS MAY RESULT IN A SUBSTANTIAL PENALTY, KNOWN AS A SURRENDER CHARGE. SEE THE "SURRENDERS AND WITHDRAWALS" PROVISION ON PAGE 11 OF THE CONTRACT FOR DETAILS.**

#### Individual Flexible Premium Deferred Variable Annuity Contract

- Premiums payable during annuitant's lifetime before the Annuity Commencement Date
- Monthly annuity payments begin on the Annuity Commencement Date
- Benefits based on the investment experience of a Separate Account are variable and are not guaranteed
- Provides for a Fixed-Rate Option with a bailout
- Non-participating - No dividends payable

## **GUIDE TO CONTRACT PROVISIONS**

1. Definitions
2. Owner and Beneficiary
3. Annuity Benefit
4. Death Benefits
5. Premiums
6. The Separate Account
7. The Fixed-Rate Option
8. Transfers
9. Accumulation Value
10. Surrenders and Withdrawals
11. Payment of Contract Proceeds
12. General Provisions

Any endorsements, additional benefit riders and applications which are attached to this contract follow.

An Index appears on the inside of the back cover.

**CONTRACT DATA**  
CONTINUED ON PAGE 3.1

ANNUITANT: GERDA M CAMILLI  
CONTRACT NUMBER: 210197866  
AGE-SEX: 73-Female  
ISSUE DATE: SEPTEMBER 20, 1999  
ANNUITY COMMENCEMENT DATE: MAY 01, 2016  
OWNER: GERDA M CAMILLI  
BENEFICIARY: THE BENEFICIARY(IES) DESIGNATED IN THE APPLICATION ATTACHED TO THIS CONTRACT, UNLESS SUBSEQUENTLY CHANGED.  
BAILOUT RATE: 4.0%

**\*\* PREMIUMS \*\***

INITIAL CONTRACT PREMIUM: \$53,348.80

ADDITIONAL CONTRACT PREMIUMS MAY BE PAID TO GIAC BEFORE THE ANNUITY COMMENCEMENT DATE IN ACCORDANCE WITH "PREMIUMS" ON PAGE 7.

**\*\* INITIAL NET PREMIUM ALLOCATION INFORMATION \*\***

THE INITIAL NET PREMIUM IS THE INITIAL CONTRACT PREMIUM, LESS ANY APPLICABLE ANNUITY TAXES.  
THE INITIAL NET PREMIUM IS ALLOCATED AS FOLLOWS:

ALLIANCE GROWTH & INCOME CL B	10%	TEMPLETON GROWTH SECURITIES CL 2	10%
GABELLI CAPITAL ASSET FUND	10%	RS INV QUALITY BOND VIP SERIES	15%
RS EMERGING MARKETS VIP SERIES	10%	VALUE LINE STRATEGIC ASSET MGMT	15%
DAVIS VA REAL ESTATE PORTFOLIO	10%	FIDELITY VIP EQUITY INCOME SRCL	10%
FIDELITY VIP MID CAP PORT SRCL			

**\*\* ADDITIONAL BENEFIT RIDERS \*\***

**\*\* CONTRACT CHARGES AND EXPENSES \*\***

**CONTINGENT DEFERRED SALES CHARGES:** IF THE OWNER MAKES A PARTIAL WITHDRAWAL OR SURRENDERS THE CONTRACT, A CONTINGENT DEFERRED SALES CHARGE MAY BE INCURRED AGAINST AMOUNTS WITHDRAWN OR SURRENDERED THAT HAVE BEEN IN THE CONTRACT FOR LESS THAN SEVEN (7) CONTRACT YEARS. A CONTINGENT DEFERRED SALES CHARGE WILL NOT APPLY TO AMOUNTS WITHDRAWN OR SURRENDERED THAT HAVE BEEN IN THE CONTRACT FOR SEVEN (7) OR MORE CONTRACT YEARS.

THE MAXIMUM CONTINGENT DEFERRED SALES CHARGE WHICH GIAC MAY IMPOSE IS 7% OF THE LESSER OF:

- 1) THE TOTAL OF ALL PREMIUM PAYMENTS MADE WITHIN 7 CONTRACT YEARS (84 MONTHS) PRIOR TO THE DATE OF THE OWNER'S REQUEST FOR SURRENDER OR WITHDRAWAL; OR
- 2) THE AMOUNT SURRENDERED OR WITHDRAWN. SEE "CONTINGENT DEFERRED SALES CHARGE" ON PAGE 11 FOR ADDITIONAL INFORMATION.

**DAILY CHARGES:** GIAC WILL ASSESS A DAILY CHARGE OF .000034462 OF THE VALUE OF THE ASSETS ALLOCATED TO EACH VARIABLE INVESTMENT OPTION. ON AN ANNUAL BASIS, THIS CHARGE IS EQUAL TO 1.25% OF VALUE OF THE ASSETS ALLOCATED TO THE VARIABLE INVESTMENT OPTIONS. SEE "NET INVESTMENT FACTOR" ON PAGE 10 FOR ADDITIONAL INFORMATION.

**CONTRACT DATA**

**TRANSFER CHARGE:** GIAC RESERVES THE RIGHT TO CHARGE A MAXIMUM OF \$25 FOR ANY TRANSFER TRANSACTION.

**CONTRACT FEE:** GIAC WILL DEDUCT AN ANNUAL CONTRACT FEE OF \$35 ON EACH CONTRACT ANNIVERSARY OR BEFORE THE ANNUITY COMMENCEMENT DATE. IF A CONTRACT IS SURRENDERED ON A DATE OTHER THAN CONTRACT ANNIVERSARY, GIAC WILL DEDUCT THE CONTRACT FEE ON THE DATE OF SURRENDER. "CONTRACT FEE" ON PAGE 10 FOR ADDITIONAL INFORMATION.

\*\*\*

ALL COMMUNICATIONS WITH GIAC SHOULD BE DIRECTED TO THE CUSTOMER SERVICE OFFICE  
ADDRESS SHOWN ON THE FRONT COVER

TO OBTAIN INFORMATION ABOUT YOUR COVERAGE, YOU MAY CALL YOUR AGENT, OR GIAC AT:  
1-800-221-3253

## 1. DEFINITIONS

Certain important terms used in this contract are defined below. Additional terms, not explained here, are defined in other parts of this contract.

**Accumulation Unit:** A unit of measure used to determine the value of the owner's interest under this contract before the Annuity Commencement Date. This contract provides for both variable Accumulation Units and fixed Accumulation Units.

**Accumulation Value:** The value attributable to this contract. The Accumulation Value is the sum of the values attributable to the Variable Investment Options and the Fixed-Rate Option.

**Allocation Options:** This contract's Allocation Options consist of the Variable Investment Options and the Fixed-Rate Option.

**Annuity Commencement Date:** The date on which monthly annuity payments under this contract begin. The Annuity Commencement Date is shown on page 3.

**Annuity Unit:** A unit of measure used to determine the amount of any variable annuity payment.

**Basic Contract:** This contract excluding any additional benefit riders.

**Contract Anniversary:** The annual anniversary measured from this contract's Issue Date.

**Good Order:** Notice from any party authorized to initiate a contract transaction under this contract, received at the Customer Service Office in a format satisfactory to GIAC, that includes all information required by GIAC to process a transaction under this contract.

**Internal Revenue Code:** The Internal Revenue Code of 1986, as amended, and the rules and regulations thereunder, and successor provisions thereto.

**Issue Date:** The date this contract is issued by GIAC at its Customer Service Office. The Issue Date is shown on page 3. Contract years are measured from the Issue Date.

**Monthly Anniversary:** The same date of each calendar month as the Issue Date, or the last date of a calendar month, if earlier.

**Net Premium:** A premium paid by the owner to GIAC in accordance with this contract's provisions, less any applicable annuity taxes.

**Unliquidated Net Premiums:** The total amount of all Net Premiums paid under this contract that have not been withdrawn.

**Valuation Date:** A date on which Accumulation Unit values are determined. Accumulation Unit values are determined on each date on which the New York Stock Exchange or its successor is open for trading and GIAC is open for business. Valuations for any date other than a Valuation Date will be determined on the next Valuation Date.

**Valuation Period:** The period between two successive Valuation Dates, beginning after 4:00 P.M. New York City time on each Valuation Date and ending at 4:00 P.M. New York City time on the next succeeding Valuation Date.

**Variable Investment Options:** The investment divisions of The Guardian Separate Account E.

## 2. OWNER AND BENEFICIARY

### Owner

The owner is named in the application or in any later change shown in GIAC's records. While the annuitant is living, prior to the Annuity Commencement Date, and subject to any assignment on file with GIAC, the owner alone has the right to receive all benefits and exercise all rights this contract grants or GIAC allows. After the death of the annuitant, the beneficiary is the owner.

### Joint Owners

If more than one person is named as owner in the application or in any later change shown in GIAC's records, GIAC considers them to be joint owners.

Each joint owner will possess an undivided interest in the contract. Any written request for a contract transaction must be signed by each joint owner named in GIAC's records. Unless otherwise provided, if a joint owner dies, ownership passes to the surviving joint owner(s). When the last joint owner dies, ownership passes to the beneficiary. If no beneficiary is named, ownership passes to the estate of the last surviving joint owner. If there are joint owners, all references to "owner" are deemed to include all joint owners, unless otherwise specified.



## OWNER AND BENEFICIARY - cont'd

### Beneficiary

The beneficiary is named by the owner(s) in the application or in any later change shown in GIAC's records. If the annuitant dies before the Annuity Commencement Date, GIAC will pay the death benefit to the beneficiary, as described in "Death Benefits" on page 6. If the annuitant dies after the Annuity Commencement Date, any remaining benefit payable under Option V-2 of "Variable Annuity Payout Options" on page 12 or Option F-2 of "Fixed Annuity Payout Options" on page 12 that falls due after the annuitant's death will be paid to the beneficiary. Unless otherwise provided, in order to receive the death benefit at the annuitant's death, a beneficiary must be living on the earlier of:

- the date proof of the annuitant's death is received in Good Order at GIAC's Customer Service Office; or
- the 15th day after the death of the annuitant.

Unless otherwise provided, if no named beneficiary is living on such earlier date, the owner is the beneficiary.

### Contingent Beneficiary

A numbered sequence may be used to name contingent beneficiaries. The beneficiary is the living person(s) designated by the lowest number in the sequence.

### Concurrent Beneficiary

If more than one person is named with no number or the same number, GIAC considers them to be concurrent beneficiaries. Shares are equal, unless otherwise specified. If shares are equal, the share of a concurrent beneficiary who predeceases both the owner and the annuitant will be shared equally by the surviving concurrent beneficiaries. If unequal shares are specified and a concurrent beneficiary predeceases both the owner and the annuitant, the beneficiary of that share will be the owner.

### Change of Owner or Beneficiary

Before the Annuity Commencement Date, the owner may change the ownership of this contract by a written request in Good Order. Such change may be subject to state and federal gift taxes and federal income taxes. Subject to any existing assignment, the owner may change the beneficiary during the lifetime of the annuitant. The change will take effect as of the date the request is signed, whether or not the owner or annuitant is living when GIAC receives the request in Good Order at its Customer Service Office. However, the change will not apply to any payments made or actions taken by GIAC before the request is received.

### Assignment

No assignment will bind GIAC unless it is received at GIAC's Customer Service Office in Good Order and is accepted by GIAC. An assignment must be signed and dated by both the assignor and the assignee and, as applicable, by the beneficiary. The rights of any owner or beneficiary and the entire contract, as defined in "The Contract" on page 17, will be subject to the assignment. GIAC will rely solely on the assignee's statement as to the amount of the assignee's interest. GIAC will not be responsible for any tax consequences arising from or the validity of any assignment, or for any actions taken in reliance on the validity of the assignment.

Unless otherwise provided, the assignee may exercise all rights this contract grants except:

- the right to change the owner or beneficiary; and
- the right to elect an annuity payout option.

Assignments are subject to all payments made or actions taken by GIAC on or before the date GIAC accepts the assignment at its Customer Service Office.

## 3. ANNUITY BENEFIT

### Annuity Benefit

GIAC will make monthly annuity payments to the owner starting on the Annuity Commencement Date shown on page 3 if:

- the annuitant is then living; and
- this contract is in force on that date.

The Annuity Commencement Date cannot be later than the annuitant's 90th birthday. On the Annuity Commencement Date, the amount of the first monthly annuity payment will be calculated by applying the contract's Accumulation Value, less any applicable annuity taxes, under Option V-2 of "Variable Annuity Payout Options" on page 12, unless

another option is elected. The payment amounts will vary according to the annuitant's age and sex. Under Option V-2, payments are guaranteed for a period of 10 years. If the annuitant dies before the end of the guaranteed period, GIAC will pay the balance of the payments to the beneficiary for the remainder of that period, unless the beneficiary elects to be paid the present value of the then current dollar amount of the remaining annuity payments in a lump sum. GIAC will begin making such payment(s) to the beneficiary upon GIAC's receipt at its Customer Service Office of proof of the annuitant's death in Good Order. See "Payment of Contract Proceeds" on page 12 for an explanation of how monthly annuity payments are determined.

**ANNUITY BENEFIT - cont'd****Change of Annuity Commencement Date or Annuity Payout Option**

If GIAC consents, the owner may change the Annuity Commencement Date to a date not later than the annuitant's 90th birthday. The owner may also change any elected annuity payout option before the Annuity Commencement

Date. In order to effect either of these changes, GIAC must receive the owner's request in Good Order at its Customer Service Office at least 60 days before the Annuity Commencement Date.

**4. DEATH BENEFITS**

Notwithstanding any provision of this contract to the contrary, no payment of benefits provided under the contract will be allowed that does not satisfy the requirements of section 72(s) of the Internal Revenue Code, as amended from time to time, for contracts issued with a non-qualified status.

**Death of Annuitant Before Annuity Commencement Date When the Annuitant is Not an Owner**

If the annuitant dies before the Annuity Commencement Date and the annuitant is not an owner, a death benefit becomes payable to the beneficiary. If the beneficiary predeceases the annuitant, then the death benefit will be paid to the contingent beneficiary, if any. If no contingent beneficiary(ies) is named, then the death benefit will be paid to the owner or, if the owner is no longer living, to the owner's estate. GIAC will make such payment upon receipt at its Customer Service Office of proof in Good Order that the death occurred before the Annuity Commencement Date.

The death benefit payable is the greater of:

- the Accumulation Value of the contract as of the end of the Valuation Period during which GIAC received proof of death in Good Order, less any applicable annuity taxes; or
- the total amount of premiums paid, less any partial withdrawals and any contingent deferred sales charges paid thereon, and any applicable annuity taxes.

If the annuitant is age 75 or older on the Issue Date, then the death benefit payable will be the Accumulation Value as of the end of the Valuation Period during which GIAC received proof of death in Good Order, less any applicable annuity taxes.

The death benefit will be paid in one sum unless:

- the owner has elected an annuity payout option for the death benefit that is received at GIAC's Customer Service Office in Good Order at least three business days prior to the date the proceeds are paid; or

- the owner has not otherwise elected an annuity payout option and the beneficiary has elected an annuity payout option for the death benefit that is:
  - received at GIAC's Customer Service Office in Good Order at least three business days prior to the date the proceeds are paid; and
  - received at GIAC's Customer Service Office in Good Order within one year of the annuitant's death.

**Death of an Owner**

If an owner and the annuitant are the same person, and such person dies before the Annuity Commencement Date, then the death benefit becomes payable to the beneficiary, as described in "Death of Annuitant Before Annuity Commencement Date" above, except that the death benefit must be distributed in accordance with the "Special Rules" described below. If an owner and the annuitant are the same person and such person dies on or after the Annuity Commencement Date, then any remaining benefit under Option V-2 of "Variable Annuity Payout Options" on page 12 or Option F-2 of "Fixed Annuity Payout Options" on page 12, will be paid to the beneficiary.

If an owner and the annuitant are not the same person and that owner dies, then the joint owner(s), if any, becomes the new owner(s). If no joint owner(s) is named, then the beneficiary becomes the new owner.

**Special Rules**

If any owner dies before the Annuity Commencement Date, this contract's entire interest must be distributed within five years of that owner's date of death. If any owner dies on or after the Annuity Commencement Date but before the entire interest in this contract has been distributed, the remaining portion must be distributed at least as rapidly as under the method of distribution in effect as of the date of such owner's death.

## DEATH BENEFITS - cont'd

The distribution requirements set forth in the above paragraph will be considered satisfied as to any portion of the deceased owner's interest which:

- is payable to or for the benefit of any new owner; and
- will be distributed over the life of any such new owner, or over a period not extending beyond the life expectancy of any new owner;

provided such distributions begin within one year of the deceased owner's death.

In addition, if any new owner is the surviving spouse of the deceased owner:

- this contract may be continued in the name of the spouse as owner; and
- these distribution rules will be applied by treating the spouse as the owner.

If the owner is not an individual, the annuitant will be treated as owner for purposes of these distribution requirements, and any change in the annuitant will be treated as the death of the owner.

## 5. PREMIUMS

GIAC will accept premiums under this contract at any time before the Annuity Commencement Date while the annuitant and all owners are living. All premiums are payable at GIAC's Customer Service Office. Upon request, GIAC will give the owner a receipt signed by one of its officers. The initial contract premium shown on page 3 is due on the Issue Date and is payable in advance.

The minimum amount of any additional premium payment is \$100, unless this contract is purchased by or in connection with an employer-sponsored plan or through employee payroll deductions. In such cases, there is no minimum additional premium payment amount. The maximum amount of total premiums paid in any contract year after the first is \$1,000,000. This maximum may only be exceeded with GIAC's written consent.

### Allocation of Net Premiums

The owner may allocate all or part of a Net Premium to this contract's Allocation Options. GIAC reserves the right to limit the number of Allocation Options into which the value of this contract and any Net Premiums paid may be invested at a given time.

Allocation will be based on the percentages designated in the application, or as subsequently changed by the owner. GIAC will change the allocation percentages applicable to future payments of Net Premiums upon receipt of the owner's request in Good Order at its Customer Service Office.

Net Premiums will be applied to purchase Accumulation Units as described on page 10.

## 6. THE SEPARATE ACCOUNT

### The Guardian Separate Account E

The Variable Investment Options under this contract are funded by The Guardian Separate Account E (Account E). Account E is a separate investment account established by GIAC under the laws of the state of Delaware. Account E is subject to the laws of the jurisdiction in which this contract is delivered.

Account E is registered as a unit investment trust with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1940 (the 1940 Act).

Account E is treated as a division of GIAC and is used to provide values and benefits for variable annuity contracts only. GIAC owns the assets in Account E. The assets in Account E are kept separate from:

- GIAC's general account; and
- GIAC's other separate accounts.

Assets equal to the reserves and contract liabilities of Account E will not be charged with liabilities that arise from any other business GIAC may conduct. GIAC may transfer assets in excess of the reserves and contract liabilities of Account E to its general account. Income and realized and unrealized gains and losses from assets in each Variable Investment Option in Account E are credited to or charged against such Variable Investment Option without regard to income and realized and unrealized gains or losses in Account E's other Variable Investment Options or GIAC's general account or other separate accounts. The valuation of all assets in Account E will be determined in accordance with all applicable laws and regulations.

## THE SEPARATE ACCOUNT - cont'd

### Investment Divisions

Account E consists of several investment divisions or Variable Investment Options. Each investment division of Account E invests in shares of a registered investment company. Such a company may include a mutual fund or a separate investment portfolio of a mutual fund, each of which is managed by an investment adviser registered under the Investment Advisers Act of 1940.

The investment divisions available on the Issue Date are listed in the then current prospectus for Account E as it relates to this contract. Each underlying investment company is more fully described in a separate prospectus. Any investment adviser's fee, if applicable, is described in the appropriate prospectus.

### Rights Reserved

GIAC reserves the right to take certain actions which it deems:

- necessary to serve the best interests of the owner and any beneficiary; and
- appropriate to carry out the purposes of this contract.

GIAC will exercise its reserved rights only when permitted by applicable law. When required by law, GIAC will obtain approval by the owner, the SEC, or any appropriate regulatory authority. Examples of actions GIAC may take include:

- deregistering Account E under the 1940 Act;
- operating Account E in any form permitted under the 1940 Act, or in any other form permitted by law;
- taking any action necessary to comply with or obtain and continue any exemptions from the 1940 Act;

- transferring any assets in an investment division:
  - into another investment division; or
  - into one or more separate accounts; or
  - into GIAC's general account;
- adding, combining, or removing investment divisions in Account E;
- substituting, for the contract values held in any investment division, the shares of another class issued by a mutual fund in which such values are invested or the shares of another investment company or any other investment permitted by law;
- making any other necessary technical changes in this contract in order to conform with any action this provision permits GIAC to take;
- adding to, eliminating, or suspending the owner's ability to allocate Net Premiums or transfer Accumulation Value amounts into any Variable Investment Option or into the Fixed-Rate Option;
- to modify this contract as necessary in order to preserve the favorable tax treatment currently accorded this contract, including to prevent the owner from being considered the owner of the assets in Account E.

GIAC will notify the owner if any of these actions result in a material change in the underlying investments of any investment division to which part of this contract's Accumulation Value is allocated. Details of any such change in the underlying investments of an investment division of Account E will be filed with any regulatory authority where required and will be subject to any required approval.

## 7. THE FIXED-RATE OPTION

The Fixed-Rate Option is funded by GIAC's general account. The owner may:

- allocate all or part of any Net Premiums to the Fixed-Rate Option; or
- transfer all or part of the Accumulation Value attributable to the Variable Investment Options into the Fixed-Rate Option (for restrictions on transfers from the Fixed-Rate Option, see page 9).

GIAC will credit interest on any amounts allocated or transferred to the Fixed-Rate Option. Interest will accrue daily at a minimum guaranteed effective annual rate of 3%. GIAC may credit an interest rate greater than 3% at its discretion.

Any portion of a Net Premium allocated to the Fixed-Rate Option on the Issue Date will earn interest at the then current rate as set by GIAC. This interest rate will be guaranteed until the next Contract Anniversary.

After the Issue Date, GIAC will credit interest on any amounts allocated or transferred to the Fixed-Rate Option at the interest rate then in effect on the date of allocation or transfer. This rate will be guaranteed for the remainder of the contract year, until the next Contract Anniversary.



**THE FIXED-RATE OPTION - cont'd**

On each Contract Anniversary, GIAC will credit interest on any portion of the Accumulation Value attributable to the Fixed-Rate Option at the interest rate then in effect. Such rate will be guaranteed for such portion of the Accumulation Value until the next Contract Anniversary.

**Bailout**

If on any Contract Anniversary the interest rate GIAC sets for the Fixed-Rate Option is less than the bailout

rate shown on page 3, then the owner may withdraw all or part of the Accumulation Value that has been held in the Fixed-Rate Option for at least one contract year without that amount being subject to a contingent deferred sales charge. In order to be eligible for waiver of the contingent deferred sales charge under this provision, GIAC must receive the owner's request in Good Order for such withdrawal at its Customer Service Office within 60 days of the Contract Anniversary.

**8. TRANSFERS**

The owner may transfer all or a portion of this contract's value among the Variable Investment Options and the Fixed-Rate Option, subject to the restrictions described below. GIAC must receive the owner's written request for transfer at its Customer Service Office in Good Order. GIAC reserves the right:

- to limit transfers among the Variable Investment Options or to the Fixed-Rate Option to once every 30 days; and
- to charge for each transfer. The maximum amount of any transfer charge is \$25. GIAC will deduct any transfer charge on a pro rata basis from the Allocation Options from which the amounts are transferred.

**Transfers Before the Annuity Commencement Date**

During the period up to 30 days before the Annuity Commencement Date, the owner may transfer all or a portion of the Accumulation Units credited under this contract among the Variable Investment Options and the Fixed-Rate Option, subject to any restrictions set forth below and to the limit set by GIAC on the number of Allocation Options into which the Accumulation Value of the contract may be invested, if any.

GIAC permits transfers of Accumulation Units from the Fixed-Rate Option to one or more of the Variable Investment Options only once each year on or within 30 days after a Contract Anniversary. Transfers from the Fixed-Rate Option will be made in the same order as such amounts were allocated or transferred to the Fixed-Rate Option. The maximum amount that may be transferred from the Fixed-Rate Option each contract year is the greater of:

- 33 1/3% of the portion of the Accumulation Value attributable to the Fixed-Rate Option as of the Contract Anniversary; or
- \$10,000; or
- (a) multiplied by (b), where:
  - (a) is the total dollar amount transferred from the Fixed-Rate Option in the previous contract year; and
  - (b) is 1.15.

**Transfers After the Annuity Commencement Date**

After the Annuity Commencement Date, if the owner has elected a variable annuity payout option, the owner may transfer all or a portion of the Annuity Units credited under such option among the Variable Investment Options. Transfers may be made only once each calendar year. GIAC must receive transfer instructions in Good Order at least 30 days before the due date of the first variable annuity payment to which the transfer will apply.

The number of additional Annuity Units credited to a newly elected Variable Investment Option will be equal to (a) divided by (b), where:

- (a) is the dollar amount of the monthly variable annuity payment that is to be transferred as of the transfer date; and
- (b) is the value of an Annuity Unit in the newly elected Variable Investment Option as of the transfer date.

After the Annuity Commencement Date, the owner who has elected a fixed annuity payout may not transfer into or out of such option.

## 9. ACCUMULATION VALUE

### Accumulation Value

The portion of the Accumulation Value attributable to a particular Variable Investment Option or to the Fixed-Rate Option is determined by multiplying (a) by (b), where:

- (a) is the number of Accumulation Units credited to this contract for that particular Allocation Option; and
- (b) is the then current Accumulation Unit value for that Allocation Option.

This contract does not have any Accumulation Value on or after the Annuity Commencement Date.

### Accumulation Units

Amounts allocated or transferred to a Variable Investment Option or the Fixed-Rate Option before the Annuity Commencement Date are used to purchase either variable or fixed Accumulation Units, as applicable. Accumulation Units are redeemed and cancelled when amounts are deducted, withdrawn, or transferred from a Variable Investment Option or the Fixed-Rate Option. The number of Accumulation Units purchased or redeemed in a Variable Investment Option or the Fixed-Rate Option equals (a) divided by (b), where:

- (a) is the dollar value of the transaction; and
- (b) is the value of an Accumulation Unit for the applicable Variable Investment Option or the Fixed-Rate Option as of the Valuation Date on which the transaction is processed.

### Accumulation Unit Value for a Variable Investment Option

The Accumulation Unit value for a Variable Investment Option depends on the investment experience of that option and therefore may increase or decrease daily.

GIAC determines the Accumulation Unit value for each Variable Investment Option for every Valuation Period. The Accumulation Unit value for a Variable Investment Option for any Valuation Period is (a) multiplied by (b), where:

- (a) is the Accumulation Unit value for that Variable Investment Option for the immediately preceding Valuation Period; and
- (b) is the net investment factor, as described below, for the current Valuation Period.

### Accumulation Unit Value for the Fixed-Rate Option

The value of an Accumulation Unit for the Fixed-Rate Option was established at \$10.00 as of the date operations began for that Option. Thereafter, it will increase daily at a rate of interest to be determined from time to time by GIAC, but which is guaranteed to be no less than 3.0% annually.

### Net Investment Factor

GIAC will assess a daily charge of .000034462 of the value of the assets allocated to each Variable Investment Option. This charge is used in determining the net investment factor for each Variable Investment Option. On an annual basis, the charge is equal to 1.25% of the value of the assets allocated to these Variable Investment Options. Mortality and expense risks account for 1.05% of this charge and administrative expenses incurred by GIAC account for 0.20% of this charge.

The net investment factor is used to calculate the value of an Accumulation Unit in any Variable Investment Option for a Valuation Period. The net investment factor is determined by dividing the sum of (a) and (b) by (c), and subtracting (d) from the result, where:

- (a) is the net asset value per share of the investments held by the Variable Investment Option for the current Valuation Period;
- (b) is the per share amount of any dividends or other distributions made by the investments held by the Variable Investment Option during the current Valuation Period;
- (c) is the net asset value per share of such investment held by the Variable Investment Option for the immediately preceding Valuation Period;
- (d) is the sum of the daily charges GIAC deducts from the Variable Investment Options for:
  - the mortality and expense risks and administrative expenses assumed by GIAC; and
  - any applicable annuity taxes.

The net investment factor may be less than 1.00 since it is based on the investment experience of Account E.

### Contract Fee

On each Contract Anniversary on or before the Annuity Commencement Date, GIAC will deduct a contract fee of \$35 from the Accumulation Value of this contract. This fee will be deducted from each Variable Investment Option and from the Fixed-Rate Option in proportion to the portion of the Accumulation Value attributable to each particular Allocation Option on that Contract Anniversary. However, if this contract is surrendered on a date other than a Contract Anniversary, GIAC will deduct the contract fee on the date of surrender. GIAC will waive the contract fee if the Accumulation Value on the Contract Anniversary or upon total surrender is \$100,000 or more.

## 10. SURRENDERS AND WITHDRAWALS

### Surrender of Contract

Before the Annuity Commencement Date and while the annuitant is living, the owner may surrender this contract for its surrender value as defined below. The contract will then terminate. The owner's request for such surrender must be received in Good Order by GIAC at its Customer Service Office. This contract must be sent to GIAC's Customer Service Office for cancellation.

The surrender value is determined by deducting (b), (c) and (d) from (a), where:

- (a) is the Accumulation Value as of the Valuation Date on which GIAC receives the owner's written request for surrender in Good Order;
- (b) is any applicable contingent deferred sales charge, as described below;
- (c) is any applicable contract fee; and
- (d) is any applicable annuity taxes.

### Partial Withdrawals

Before the Annuity Commencement Date and while the annuitant is living, the owner may withdraw part of this contract's Accumulation Value, subject to the conditions described below. The owner's request for any partial withdrawal must be received in Good Order by GIAC at its Customer Service Office.

Any partial withdrawal payment will be reduced by any contingent deferred sales charges (described below) and any applicable annuity taxes. The amount of any partial withdrawal and any applicable contingent deferred sales charge and annuity taxes will be deducted from the Variable Investment Options in proportion to the amount of the Accumulation Value attributable to each Variable Investment Option as of the Valuation Date on the date GIAC receives the owner's written request for withdrawal in Good Order. The portion of a partial withdrawal that exceeds the Accumulation Value attributable to the Variable Investment Options then will be deducted from the Fixed Rate Option.

The total Accumulation Value remaining after a partial withdrawal must be at least \$500. If a partial withdrawal results in the Accumulation Value falling below \$500, then GIAC reserves the right to cancel the contract and pay the surrender value to the owner.

### Contingent Deferred Sales Charges

For the purpose of calculating the contingent deferred sales charge, and in order to minimize the applicable contingent deferred sales charge, all amounts withdrawn or surrendered are deemed to be taken out on a first-in-first-out basis, that is, all amounts taken

out are deemed to come from the oldest premium paid first. If the owner makes a partial withdrawal or surrenders the contract, a contingent deferred sales charge may be incurred against amounts withdrawn or surrendered that have been in the contract for less than seven (7) contract years. A contingent deferred sales charge will not apply to amounts withdrawn or surrendered that have been in the contract for seven (7) or more contract years.

If this contract is surrendered, GIAC will deduct, if applicable, a contingent deferred sales charge and the contract fee from the amount otherwise payable (See "Surrender of Contract" provision above). The amount of the contingent deferred sales charge, if any, will be a percentage, as shown in the table below, of the amount withdrawn or surrendered:

Number of Contract Years Completed from the Date of the Premium Payment	Contingent Deferred Sales Charge Percentage
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0	7%
1	6%
2	5%
3	4%
4	3%
5	2%
6	1%
7	0%

and later.

The maximum contingent deferred sales charge will be equal to 7% of the lesser of:

- the total of all premium payments made within 7 contract years (84 months) prior to the date of the request for withdrawal or surrender; or
- the amount withdrawn or surrendered.

However, in any contract year after the first, the owner may make a partial withdrawal, without incurring a contingent deferred sales charge, of an amount equal to the greater of:

- the excess of the Accumulation Value on the date of withdrawal over the Unliquidated Net Premiums; or
- 10% of the total premium payments made, minus the aggregate amount of all prior partial withdrawals made during the current contract year.

## 11. PAYMENT OF CONTRACT PROCEEDS

### Annuity Payments

If the annuitant is living and this contract is in force on the Annuity Commencement Date, GIAC will make monthly variable annuity payments to the owner under Variable Annuity Payout Option V-2, as stated in "Annuity Benefit" on page 5, or, if elected, one of the other annuity payout options. Payment of any annuity benefit or death benefit may be made under either a fixed or variable annuity payout option or a combination of both. If annuity payout option F-3 or V-3 is chosen, the owner must also select a joint annuitant during the annuitant's lifetime.

All monthly annuity payments are based on:

- the sex and age of the annuitant at the birthday nearest the date payments are to begin; and
- the annuity payout option elected.

The Annuity Payout Option Tables are based on the 1983 Individual Annuity Mortality Table as projected under Scale G factors.

### Payees

While the annuitant is living, the owner may name or change one or more beneficiaries who will be the payee or payees under an annuity payout option after the death of the annuitant.

Only individuals who are to receive payments in their own behalf may be named as payees, unless GIAC agrees otherwise.

### Variable Annuity Payout Options

The amount of any variable annuity payments after the first will increase or decrease according to the value of the variable Annuity Units, which reflect the investment experience of the Variable Investment Option(s) elected. Any such payments will be based on an assumed investment return of 4% per year.

#### Option V-1 - Life Annuity without Guaranteed Period

GIAC will make monthly variable annuity payments for the lifetime of the annuitant. GIAC does not guarantee a minimum number of annuity payments under this option. This option does not provide a death benefit to any beneficiaries upon the annuitant's death. The amount of the first monthly payment will be based on the Option V-1 table on page 15.

#### Option V-2 - Life Annuity with 10 Year Guaranteed Period

GIAC will make monthly variable annuity payments during the lifetime of the annuitant. The amount of the first monthly payment will be based on the Option V-2 table on page 15.

Payments are guaranteed for a period of 10 years. If the annuitant dies before the end of the guaranteed period, GIAC will pay the balance of the payments to the beneficiary for the remainder of that period, unless the beneficiary elects to be paid the present value of the current dollar amount of the then remaining annuity payments in a lump sum. If the beneficiary dies while receiving such payments, the present value of the remaining number of variable annuity payments will be paid in one sum to the beneficiary's estate.

#### Option V-3 - Joint and Survivor Annuity

GIAC will make monthly variable annuity payments while the annuitant and the joint annuitant are living and during the survivor's remaining lifetime. When an annuitant dies, payments based on two-thirds of the number of Annuity Units in effect while both were living will continue for the lifetime of the survivor. The amount of the first monthly payment will be based on the Option V-3 table on page 15.

### Fixed Annuity Payout Options

#### Option F-1 - Life Annuity without Guaranteed Period

GIAC will make monthly fixed annuity payments for the lifetime of the annuitant. GIAC does not guarantee a minimum number of annuity payments under this option. This option does not provide a death benefit to any beneficiaries upon the annuitant's death. The amount of the monthly payment will be based on the Option F-1 table on page 16. The guaranteed monthly payments shown in the Option F-1 table include interest at a rate of 3% a year.

#### Option F-2 - Life Annuity with 10 Year Guaranteed Period

GIAC will make monthly fixed annuity payments during the lifetime of the annuitant. The amount of the monthly payment will be based on the Option F-2 table on page 16. The guaranteed monthly payments shown in the Option F-2 table include interest at a rate of 3% a year.

Payments are guaranteed for a period of 10 years. If the annuitant dies before the end of the guaranteed period, GIAC will pay the balance of the payments to the beneficiary for the remainder of that period, unless the beneficiary elects to be paid the present value of the then remaining annuity payments in a lump sum. If the beneficiary dies while receiving such payments, the present value of the remaining number of annuity payments will be paid in one sum to the beneficiary's estate.